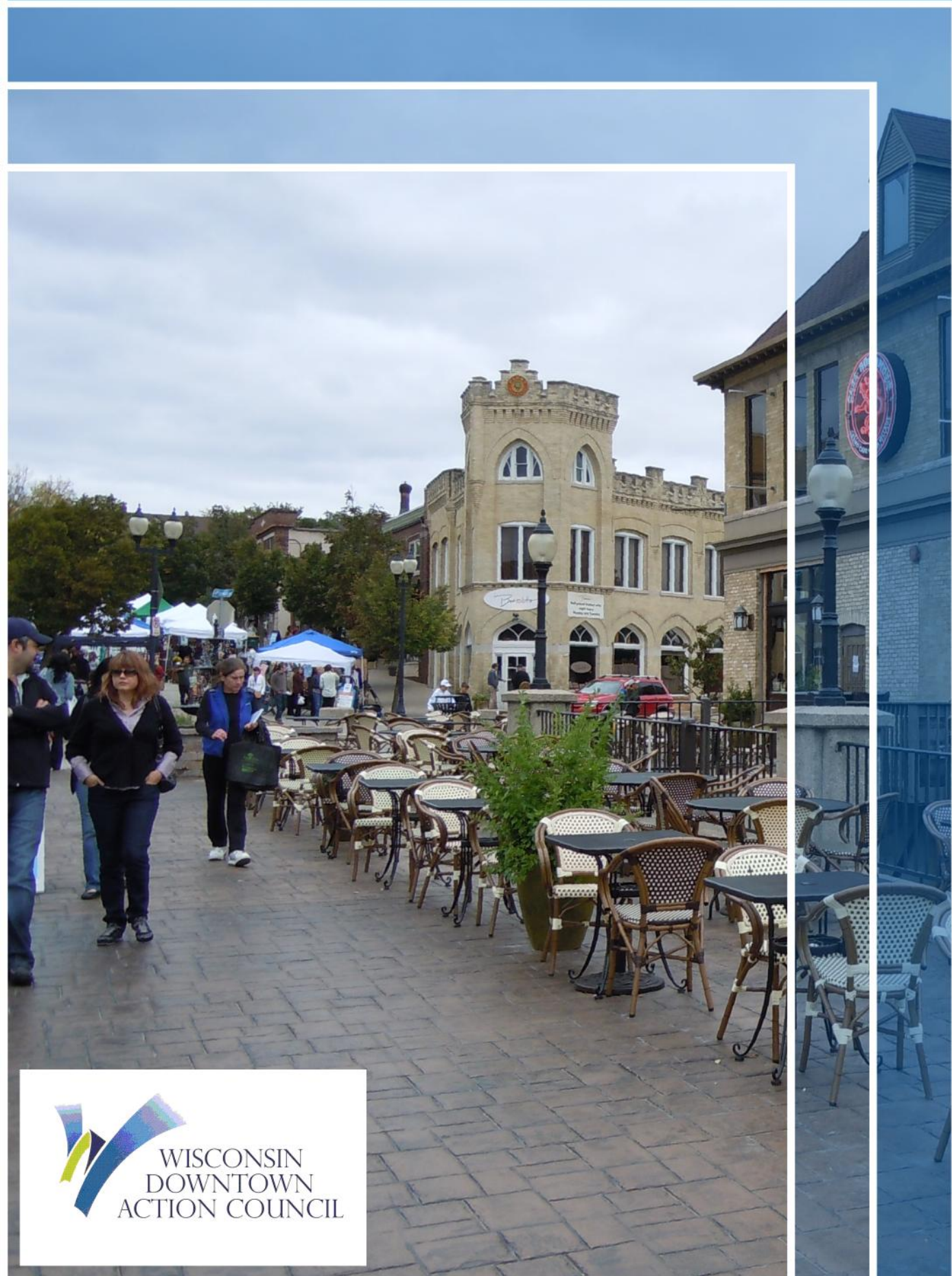


# The State of Wisconsin's Downtowns

Results of the 2011 Survey of Cities and Villages



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## Introduction

The Wisconsin Downtown Action Council (WDAC) was formed in 1982. Comprised of local officials, business and property owners, and community supporters, the organization is dedicated to fostering revitalization in Wisconsin's downtowns and neighborhood business districts. Membership through the years has continued to include both large and small communities in all corners of the state.

Among its first actions, the Wisconsin Downtown Action Council was instrumental in forming the coalition that brought the Main Street Program to Wisconsin, and in successfully advocating for legislation to allow local business improvement districts. WDAC has continued to support such valuable programs and to offer networking and training opportunities for all people with an interest in downtown revitalization.

At the beginning of 2011 the Wisconsin Downtown Action Council conducted a statewide survey to establish benchmark data and determine the needs for revitalization in our downtown and neighborhood business districts. As our state and nation emerge from a deep recession, there is a perception that the local and independent small businesses that line our Main Streets are slow to feel the recovery. Furthermore, budget constraints at the state and local levels threaten to impact the few resources available to encourage revitalization. It is therefore an appropriate time to ask communities about their revitalization programs, to assess their current and future needs, and to solicit new ideas that will encourage recovery on Main Street.

The results of this survey will help to shape educational programming and other initiatives of the Wisconsin Downtown Action Council. We hope the results will also be used within local communities, and within state government, to set an agenda of support for revitalization.

A goal of WDAC is to continue to conduct the downtown survey in future years as a means of tracking progress and emerging concerns.

## Survey Design

The 2011 Survey of Wisconsin Downtowns was conducted online between January 31 and February 21, 2011. Invitations were sent to an email list of 403 Wisconsin city and village contacts, including persons in municipal administration, planning, economic development, chamber of commerce, business improvement district, and downtown revitalization positions.

A reminder email was sent to those who did not respond to the initial request. Recipients were also given the option to forward the survey to others who might respond.

The survey consisted of 22 core questions developed by Place Dynamics with input from the Wisconsin Downtown Action Council's board of directors and other downtown revitalization practitioners. These included a variety of multiple selection, ranked, rated, and open-ended questions.

Results were tabulated by the online survey program, which allows responses to be filtered by how respondents answered specific questions.

## Survey Participation

A total of 121 people, representing 73 communities, responded to the survey. This resulted in a participation rate of nearly 31 percent. Multiple responses were received from some communities. In part, this can be attributed to responses from different downtown and neighborhood districts located within larger communities such as Milwaukee, Madison, or Green Bay.

Wisconsin has a total 593 incorporated communities consisting of 190 cities and 403 villages. The 73 communities responding to the survey represent 12.3 percent of this population. Both large and small communities, as well as urban, suburban, and rural places were well represented by the responses. The responses are also geographically distributed across the state.



## Revitalization Framework

Questions were grouped around six themes. The first of these explores community support for revitalization, planning, and program success.

### 1 Are revitalization activities a part of your community's overall approach to economic development?

Overwhelmingly, communities responding to the survey included downtown and/or neighborhood business district revitalization activities as part of their overall economic development strategy.

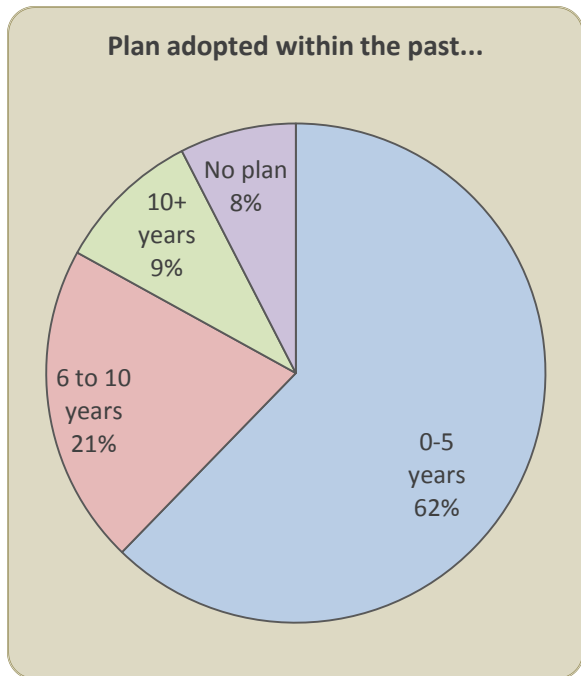
Of 116 responses to this question, only five percent did not include revitalization in their economic development efforts. These tended to

be smaller and rural communities, along with some Milwaukee suburbs that have no defined downtown business district.

### 2 Has your community prepared a plan for your downtown or neighborhood business district?

Most communities have prepared formal plans for their downtown and/or neighborhood business districts, and 62 percent of these have been adopted within the past five years.

When a plan reaches six to ten years old it may be in need of updating, as market condition often change and recommendations contained in the plan are implemented. One in five communities (21 percent) have a downtown plan in this age



range. Nine percent of plans are over ten years old, and another eight percent of communities do not have a downtown plan.

These numbers suggest that there is a need for revitalization planning within a large number of Wisconsin communities. Local staff and financial resources may not be adequate to meet this need. At the state level, assistance is available to a limited number of districts through Wisconsin Main Street, and the Department of Commerce does allow Community Development Block Grant (CDBG) grants to fund some district revitalization planning.

### 3 How successful has your community been in implementing its revitalization plans?

On average, people rate their local revitalization efforts as "moderately successful", with a score of 3.2 on a scale from one (not successful) to five (very successful). There were more positive responses than negative ones. Only three percent of people said their efforts were not successful, while twelve percent felt that they had been very successful. Not surprisingly, those communities

that have been engaged in revitalization for longer periods of time were more likely to believe their efforts have been fruitful, while communities that had only started their revitalization programs in the last few years were less likely to see them having a significant payoff.

### 4 If you feel your community has not been successful in implementing its revitalization plan, why has it not succeeded?

When asked what factors have contributed to their lack of revitalization success, respondents consistently mentioned a small number of factors. These included a lack of support from both local elected officials and from property owners. It is notable that only one person stated that downtown businesses were not supportive, suggesting that it is perhaps more common for the business community to push for revitalization, while property owners and city/village officials may not recognize the need.

This observation is related to several comments that there is no community consensus concerning downtown revitalization overall, or for specific priorities within the revitalization program.

The need for additional financial resources was frequently cited, as was the current economic environment. The recession has impacted revitalization by both making conditions difficult for Main Street businesses and by reducing public and private funds available to support revitalization.

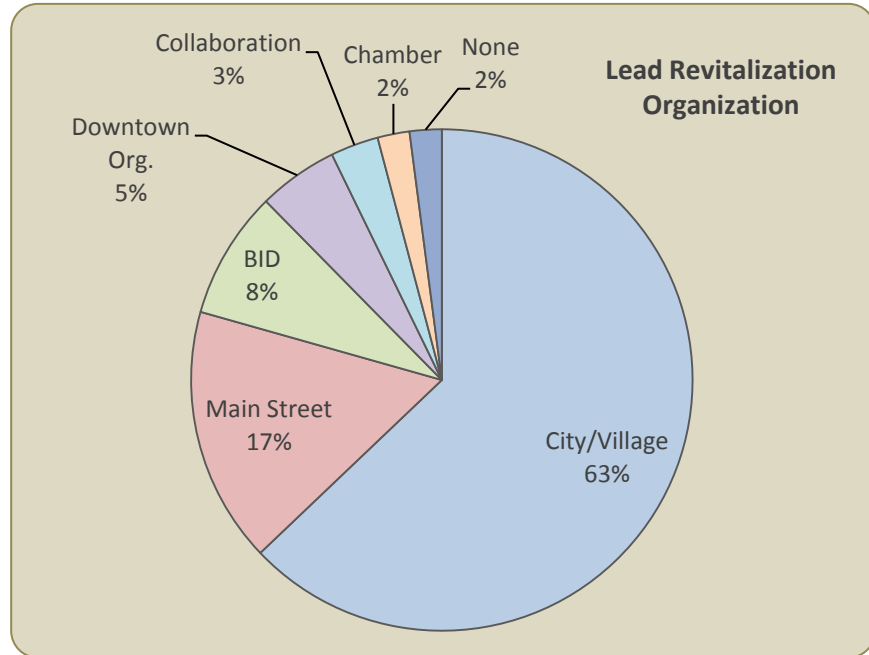
A small number of respondents attributed their struggles to limited market opportunities within their community and its market area. Other responses included staffing, poor leadership, unrealistic design requirements, or the need for incentives specific to the downtown.

A few stated that they had not yet achieved success as they had just started their programs.

## 5 Which of the following organizations has the primary responsibility for leading revitalization efforts in your community?

City and Village governments play the leading role in revitalization within most communities (63 percent) responding to the survey. This was followed by Main Street organizations (17 percent) and business improvement districts (eight percent), and other organizations dedicated solely to managing the district (five percent).

The chamber of commerce provided leadership in only two percent of communities. Responsibility was split among two or more organizations in three percent of communities, and no organization provided leadership in the remaining two percent.



As a comparison, the Wisconsin Downtown Action Council, formed in 1982, is celebrating its 29<sup>th</sup> year of supporting revitalization activities in the state. Many of those same revitalization programs that helped to found WDAC are still carrying on in their communities.

## 6 How long has your community been engaged in revitalization activities?

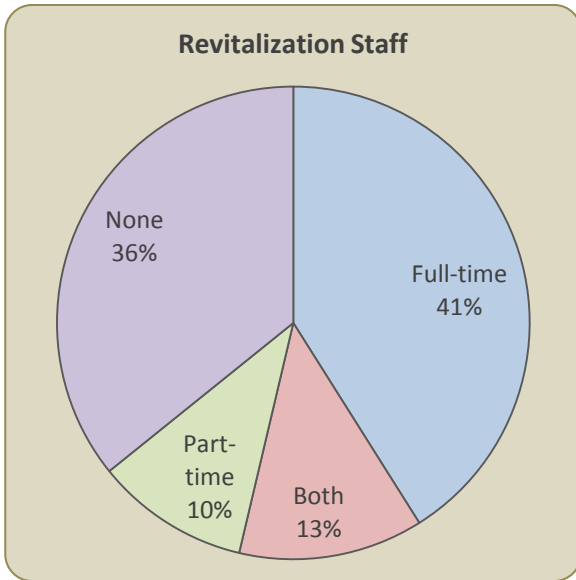
Downtown revitalization is not a one-time fix. Districts must continue to provide management, leadership, and organization to maintain their vitality. It seems that many Wisconsin communities recognize this, and many of the state's revitalization programs have been in place for over 20 years.

Fifteen percent of programs have been in place for five years or less. Almost equal numbers are six to ten years old (16 percent), and eleven to 15 years old (15 percent). Another eleven percent were in the 16 to 20 year age range. Nearly as many programs were over 20 years old (43 percent) as were under 15 years old.

## 7 Does your revitalization organization have paid staff whose primary responsibility is to carry out revitalization programs?

Downtown programs tend to have full-time staff or none at all. A third of the respondents said that their revitalization efforts had no staff, suggesting that they may lack organizational support, rely on volunteers, or assign tasks to various persons. This approach is a challenge to maintaining program momentum and consistency.

Over half of the programs (54 percent) have full-time staff whose primary responsibility is to manage revitalization activities. This includes 13 percent of programs with both full-time and part-time staff. Ten percent of programs rely solely on part-time staffing.



**8** What was your revitalization organization's approximate annual operational budget in 2010? Include costs for programs, staff, and typical operations. Do not include costs for one-time capital expenses such as streetscaping.

Operational budgets varies widely, with a majority either under \$25,000 or over \$200,000. These latter respondents, not surprisingly, included most of the state's larger communities, some of which may contain multiple business districts. Small communities filled the list of those with budgets less than \$25,000.

## Funding Revitalization

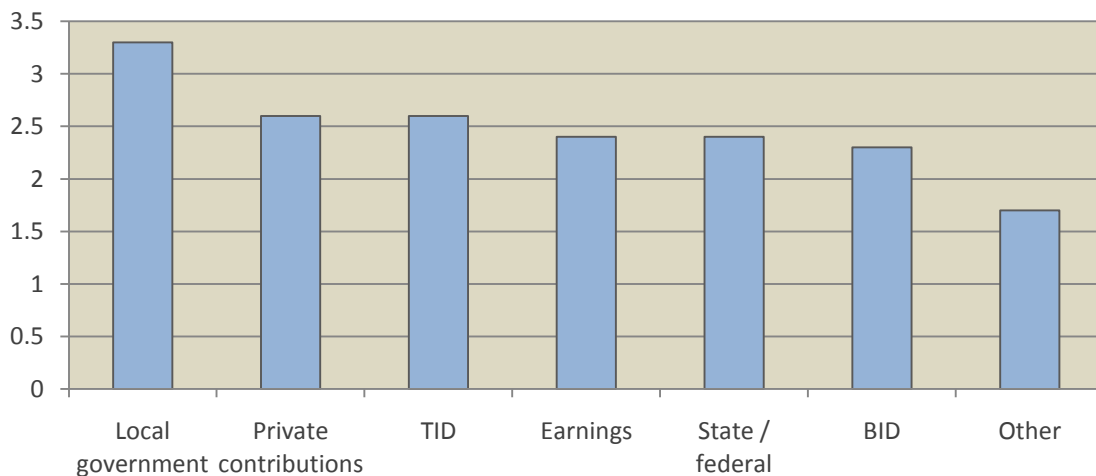
The next set of questions relates to funding. In the previous section, survey participants had indicated that scarce funding was an impediment to successful revitalization. This section explores program budgets and the importance of various funding sources used by Wisconsin communities in their downtowns and neighborhood business districts.

**9** Rank the following sources of funds in terms of their importance to your revitalization organization's annual operating budget.

Contributions from local governments are the most important source of funding for downtown revitalization programs, with two-thirds of responses ranking them as "very important". This source also received the fewest rankings as "not important".

Tax increment districts had the next-highest number of "very important" rankings (53 per-

**Importance of Funding Sources (1 = Low, 5 = High)**



cent), followed by business improvement districts (49 percent), contributions from private individuals or businesses (44 percent), proceeds from the organization's activities (35 percent), and state or federal funds (30 percent).

In overall rankings, private contributions and tax incremental financing tied for second in importance, followed by proceeds from organization activities and state and federal funds, which also tied.

Business improvement districts (BIDs) tended to be ranked of high importance to those communities that have them, suggesting that they can be an important source of funds for downtown programming. The overall lower ranking of BIDs is the result of low scores contributed by communities without BIDs.

Several comments provided under this question attest to the importance of BIDs as a source for operational funding. An equal number discusses the importance of revenue earned from the organization's events. One community allocates a portion of hotel tax revenue to the downtown district. Many of these comments also expressed concern that funding may decrease in coming years.

## 10 Compared to 2010, how did your revitalization program's operational budget change in 2011?

Although most program budgets remained about the same between 2010 and 2011, a larger number are experiencing declines rather than increases. Interestingly, there appears to be a geographic pattern to the responses. Nearly all of the programs expecting to see their budgets increase are located in the northern part of the state. Those experiencing declines tend to be located in the southeastern part of Wisconsin. Large and small communities are included in both groupings.

Another interesting pattern is revealed when responses to this question are sorted by the size of

the organization's budget. Most of the programs experiencing a decrease in funding are concentrated among those with the smallest budgets, especially those under \$25,000, while the increases are almost entirely within the largest budget categories.

## Conditions in Downtown

Two questions seek to assess conditions within downtown and neighborhood business districts.

### 11 Generally speaking, how would you rate current business conditions within your downtown or neighborhood business district, compared to the same time last year?

Overall, survey respondents were cautiously optimistic about conditions in their districts. When asked how current conditions compared to 2010, the response fell between "about the same" and "improving slightly". Only 15 percent of responses indicated "worsening slightly", and none checked "worsening significantly". Six percent noted significant improvement.

The most positive responses were clustered in the western portion of the state, while the most negative responses tended to come from larger cities or suburbs in the Milwaukee area. Downtown programs in this area were also more likely to indicate that their budgets had declined in 2011.

Interestingly, communities with Main Street programs tended to have a more favorable outlook than others. Communities where a business improvement district provided leadership for revitalization tended to view conditions less favorably than others.

## 12 What is your best estimate of the current vacancy rate for commercial properties in your downtown or neighborhood business district?

The greatest number of downtowns responding to this question estimated that the current commercial vacancy rate in their district fell between five and ten percent. This would be roughly comparable to commercial vacancy rates in regional malls and strip centers.

All told, nearly two-thirds (62 percent) of people responding indicated that the vacancy rate was below ten percent. The communities most likely to indicate low vacancy rates were in the suburban Milwaukee area, as well as a handful of small communities from around the state.

Significantly fewer responses (16 percent) indicated that their vacancy rate was above 15 percent. These responses were dominated by Wisconsin's mid-sized cities, including such places as Appleton, Green Bay, Kenosha, La Crosse, Marshfield, and Racine.

Contrary to what might be expected, vacancy rates do not appear to have been considered in the responses to Question 3, which asked about the success of revitalization plans. People responding that their plans had been less successful

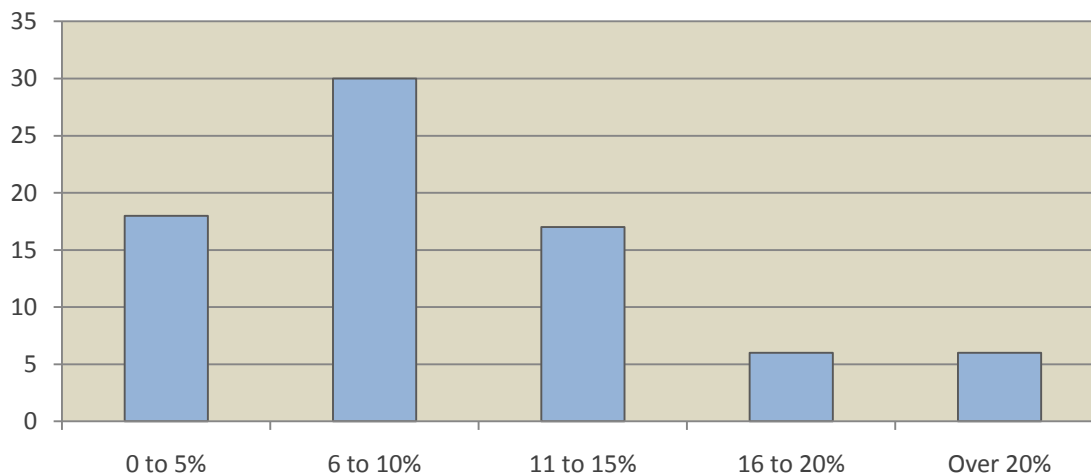
tend to have indicated that their districts have lower vacancy rates. Those saying that their planning efforts had been successful dominated the responses showing high rates of vacancy.

This unexpected result deserves some speculation. It is possible that most downtown planning activities, and especially those carried out by local governments, tend to focus on the physical realm. That may include infrastructure improvements, streetscaping and other enhancements to public spaces, redevelopment projects, and similar initiatives. It is possible to implement these measures and still have high rates of vacancy in the district. This perhaps suggests that planning efforts need to provide a greater emphasis on market development and business support services to address occupancy issues.

## Revitalization Activities

What are our Wisconsin communities doing to revitalize their downtowns and neighborhood business districts? That question is addressed in this section of the survey. In addition, we ask about the use of state and local tools to carry out these tasks.

Estimated Commercial Vacancy Rate



# 13 Rate the importance of the following business development activities to your revitalization efforts.

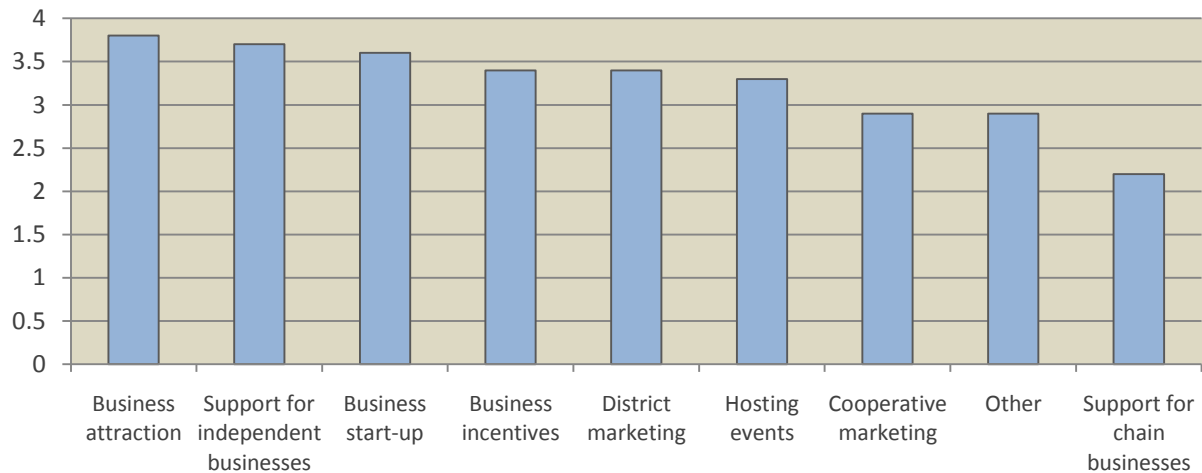
Several issues all received close average rankings in terms of their importance to local revitalization programs. Business attraction topped the list, followed closely by providing support to existing independent businesses in the district, and fostering new business formation. Establishing incentives for business development and overall district marketing or promotions were tied in importance. Hosting events to bring

shoppers into the district rounded out the grouping.

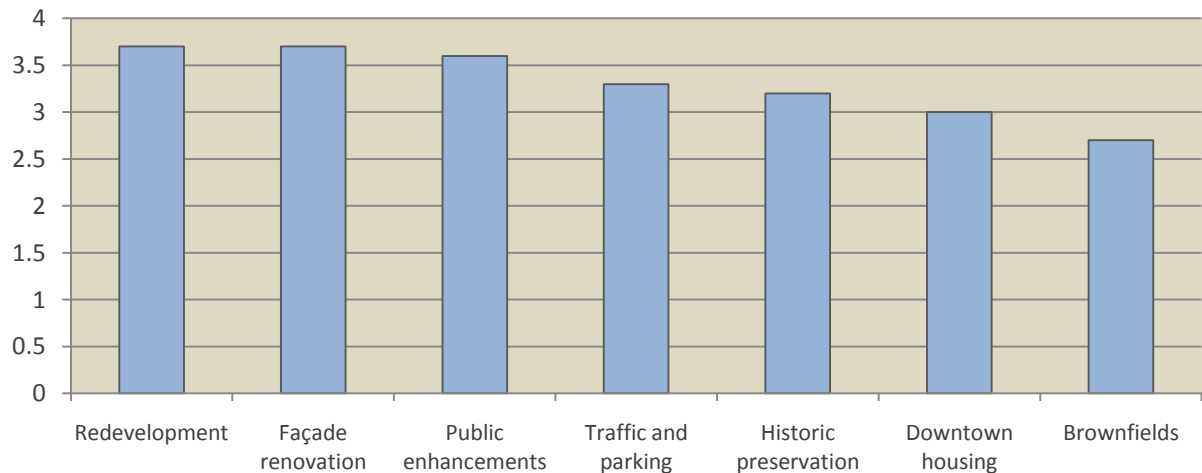
Creating programs to jointly market individual businesses is of lower importance, and tied with "other activities". Most of the other activities mentioned in written comments included building renovations or historic preservation (addressed in the following question), and public art initiatives.

Clearly, supporting the vitality and growth of chain businesses is the least important activity for local redevelopment programs. This may in part reflect a inclination for chain businesses to prefer

**Downtown Revitalization Program Priorities (1 = low, 5 = high)**



**Downtown Real Estate Priorities (1 = Low, 5 = High)**



locations outside of traditional business districts. With few chain businesses in most downtowns or neighborhood business districts, they do not warrant as much attention.

## 14 Rate the importance of the following infrastructure or real estate development activities to your revitalization efforts.

As with revitalization programs, there is a grouping of activities important for the physical rejuvenation of Wisconsin downtowns. Real estate redevelopment projects and encouraging façade renovation are at the top of the list. All but one person ranked redevelopment as "somewhat important" or "very important".

These activities are closely followed by improvements within the public realm, such as enhancements to downtown parks, plazas, streetscapes, or other public spaces.

Managing downtown traffic and parking, and historic preservation are also closely ranked.

Fewer communities ranked rehabilitating or developing downtown housing as a high priority. Small communities were more likely to give this initiative a lower rating.

Brownfield remediation and redevelopment

received the lowest score. Assessing the responses, it was noted that many of the communities giving this a low rating have already undertaken initiatives to redevelop brownfields in their downtowns. As these issues have already been addressed, they are no longer a concern to the community.

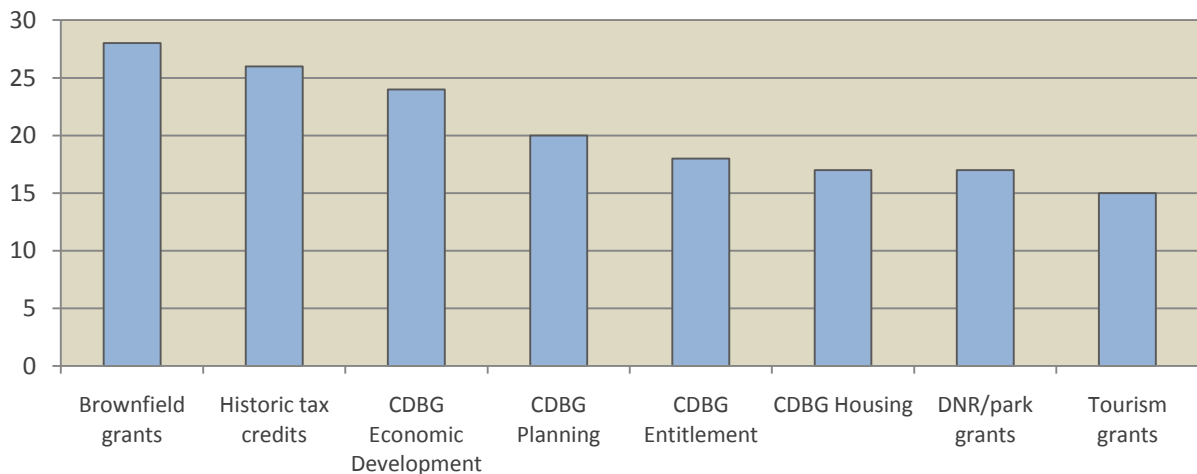
## 15 What state and local tools has your community used to support your revitalization activities?

A variety of state and local programs are used to help carry out revitalization in our communities. The most common of these all have a local origin.

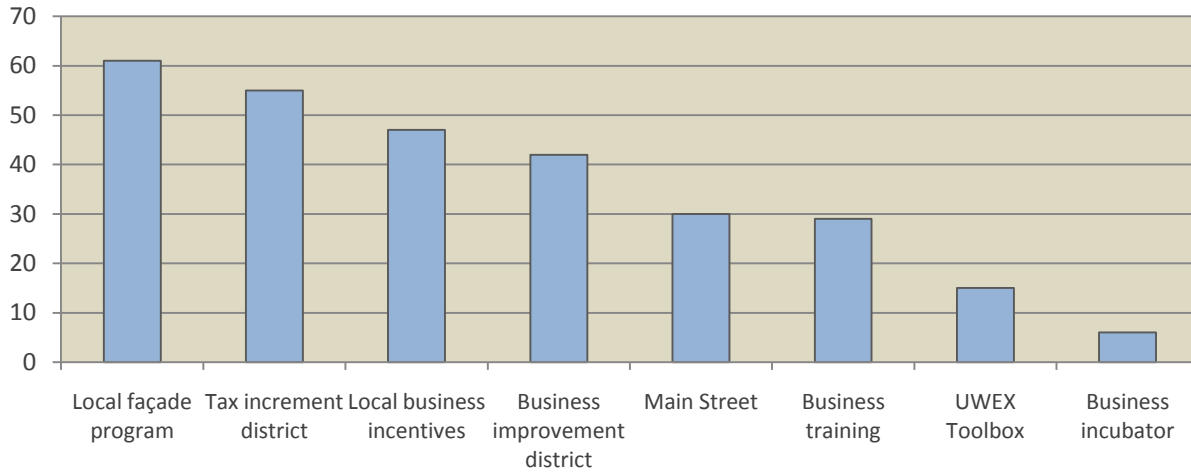
The largest number of responses - half of all persons responding to the survey - indicated that the community has a local façade renovation program providing either grants or loans for improvements to the exterior of buildings in a targeted area.

Many communities have a tax increment financing district in their downtown or neighborhood business district. TIDs were originally established as a redevelopment tool allowing communities to capture future increases in property taxes, which can be applied to encourage revitalization within the district.

**State Financial Assistance Programs**



### State and Local Revitalization Tools



Incentives for business development received the third-highest count. Communities may provide grants or loans to businesses for a variety of purposes. These programs can be funded through local sources, or perhaps through revolving loan funds seeded by CDBG grants.

Business improvement district differ from tax increment districts in that they are created through a vote of property owners in the district, and are funded by an additional tax paid by those property owners. This tool ranked fourth in frequency of use for supporting revitalization.

The Wisconsin Main Street Program is the most commonly-used state program for downtown revitalization. Thirty communities (a quarter of all responses) indicated that they had utilized resources of Main Street in their local efforts. Main Street has limited staffing and resources, which are primarily directed to communities accepted into the competitive Main Street Program. As only one to three communities are typically added in each annual cycle, relatively few communities have access to the program's resources. This is undoubtedly a factor in its ranking as the fifth most used state or local revitalization tool.

Almost an equal number of communities partner with business assistance providers such as the Small Business Development Centers or SCORE

to provide direct advisory services or training to businesses in their districts.

The University of Wisconsin Extension has prepared, and continues to update, an outstanding online toolbox imparting research, ideas, and "how-to" instructions on topics related to downtown revitalization. This resource has not been used by a great number of communities, perhaps because they are unaware of its existence.

A very small number of communities have developed formal business incubators within their downtown districts.

## 16 What state financial resources has your community used to support revitalization activities?

While in Question 14, brownfield redevelopment was considered a low priority, in this question the largest number of respondents indicated that they had utilized brownfield grants to support their revitalization activities. This result supports the observation that many of the communities ranking brownfield redevelopment as a low priority have already dealt with their brownfield sites, often with financial support from various state brownfield programs.

Historic preservation tax credits were the second most commonly used state program. Downtowns often contain a community's most culturally and architecturally important structures. These tax credits, provided to the building's owner, help to defray the cost of restoring the building.

Community Development Block Grants (CDBG) make up the next set of four programs used to support revitalization. Depending on the community's size, it may qualify for direct receipt of an annual sum (or "entitlement"). Smaller communities compete statewide for a pool of funds under several CDBG grant programs.

The CDBG - Economic Development Grant was the most widely used of the CDBG programs. Economic Development Grants are typically made to a community when a new business comes to town or an existing business expands. The funds are granted to the community to loan to the business. As the loan is repaid, the available balance may be re-loaned to other businesses. Some communities have used the funds to establish micro-loan programs providing small low-interest loans to start-up and existing businesses in downtown and neighborhood business districts.

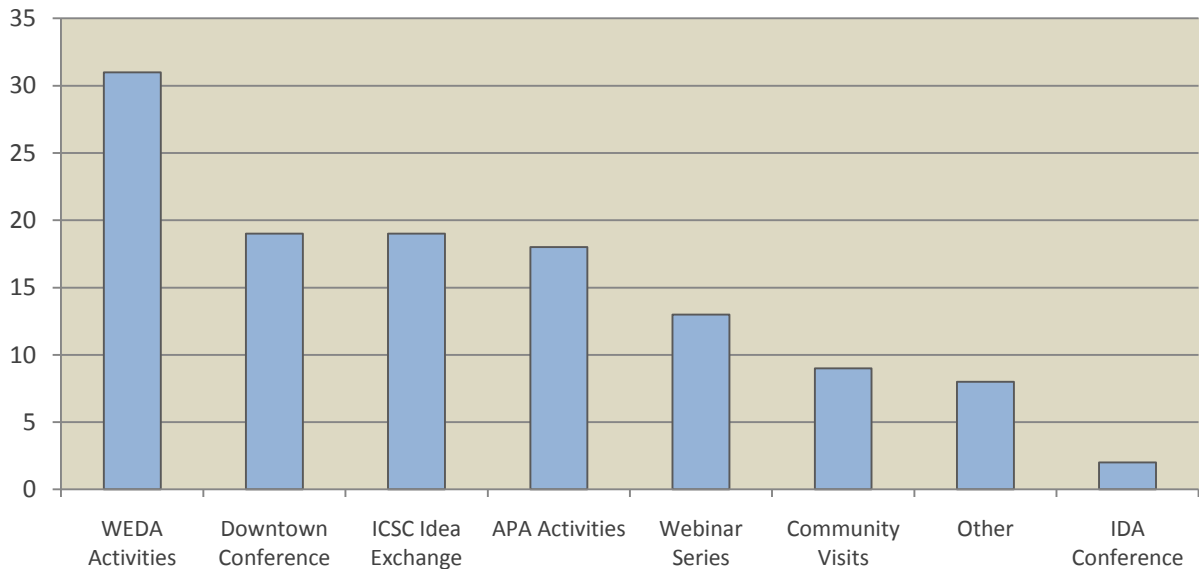
CDBG - Planning grants were the next most frequently cited state financial resource. Planning grants include grants to economically distressed communities, and all recipient communities must meet minimum thresholds for need. A relatively recent change to department policies has allowed Commerce to grant funds for downtown revitalization planning.

Communities use CDBG - Housing Grant program and the Department of Natural Resources' park and recreation grant programs with relatively identical frequency. Tourism grants, which usually provide assistance for marketing, are used with the lowest frequency.

## WDAC Programs

Since its inception, WDAC has made education a core part of its mission. A series of questions asked about participation in programming offered through the WDAC and its partners. These questions provide insight into utilization of past or current programs, and suggest topics that may be addressed through upcoming conferences, seminars, community visits, or other events.

**Participation in Conferences or Other Activities**



## 17 In the past three years, have you participated in any of the following activities?

The largest number of people responding to this survey have attended Wisconsin Economic Development Association (WEDA) conferences. In the past, the Wisconsin Downtown Action Council has partnered with WEDA to offer revitalization-themed activities in conjunction with their spring or fall conferences.

Respondents were more or less equally likely to attend the annual Downtown Summit / Governor's Conference on Downtown Revitalization, the International Council of Shopping Center's annual Wisconsin Idea Exchange, or conferences of the Wisconsin Chapter of the American Planning Association. Downtown program managers and Main Street staff were critical in starting the first ICSC Idea Exchanges in Wisconsin.

Only about ten percent of respondents have participated in the University of Wisconsin - Extension's webinar series, which is financially supported in part by a grant through the Wisconsin Downtown Action Council. A smaller number of people have attended a WDAC Community Visit. Two or three times each year, WDAC hosts a half-day visit to a local downtown. A short educational program is followed by a downtown tour and networking opportunities.

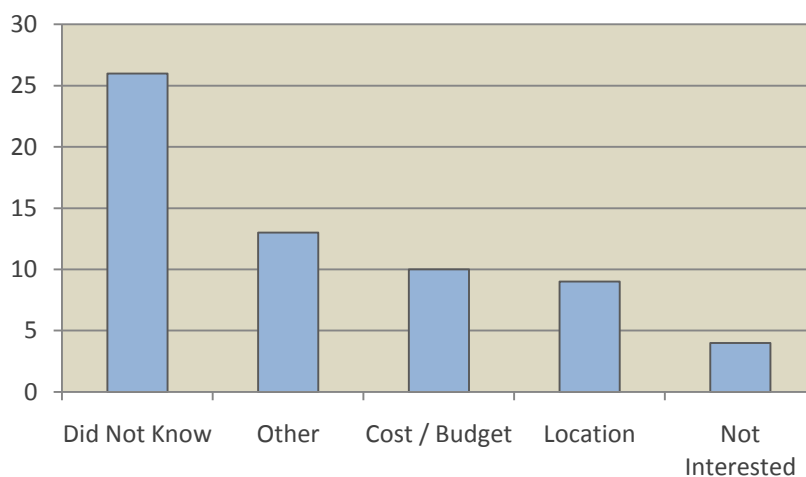
A small number of individuals indicated that they participated in other events including state and/or national Main Street programs, regional and national ICSC activities, training or conferences through the International Economic Development Council (IEDC), or Wisconsin Historical Society programs.

## 18 If you have not participated in the Downtown Summit / Governor's Conference on Downtown Revitalization, what were your reasons for not participating?

Among those who have not attended the annual Downtown Summit / Governor's Conference on Downtown Revitalization, a lack of information was the most frequently cited reason. This suggests that WDAC would benefit from additional efforts to market its programs, as well as cross-marketing with other state organizations.

Cost and location followed in importance as reasons not to attend. Not having an interest in

**Reasons for not Attending the Annual Conference**



the program received the least number of responses.

Other reasons provided tended to revolve around schedules and travel policies. Some local communities do not look favorably upon conferences, and recently, some communities have responded to budget issues by imposing travel restrictions. Others spoke to the challenge of only being able to attend so many conferences.

## 19 What topics would you like to see addressed through the Wisconsin Downtown Action Council's conference, community visit, or other educational programs?

Financing revitalization activities was clearly the leading topic that respondents would like to see addressed through WDAC's educational programs. Buy local programs, marketing and promotions, real estate redevelopment, and entrepreneurship were also among the top-ranked topics.

Just under a quarter of survey respondents indicated an interest in learning how to carry out successful downtown events through WDAC's educational offerings. Fewer people were interested in topics such as visioning and consensus-building, or downtown design.

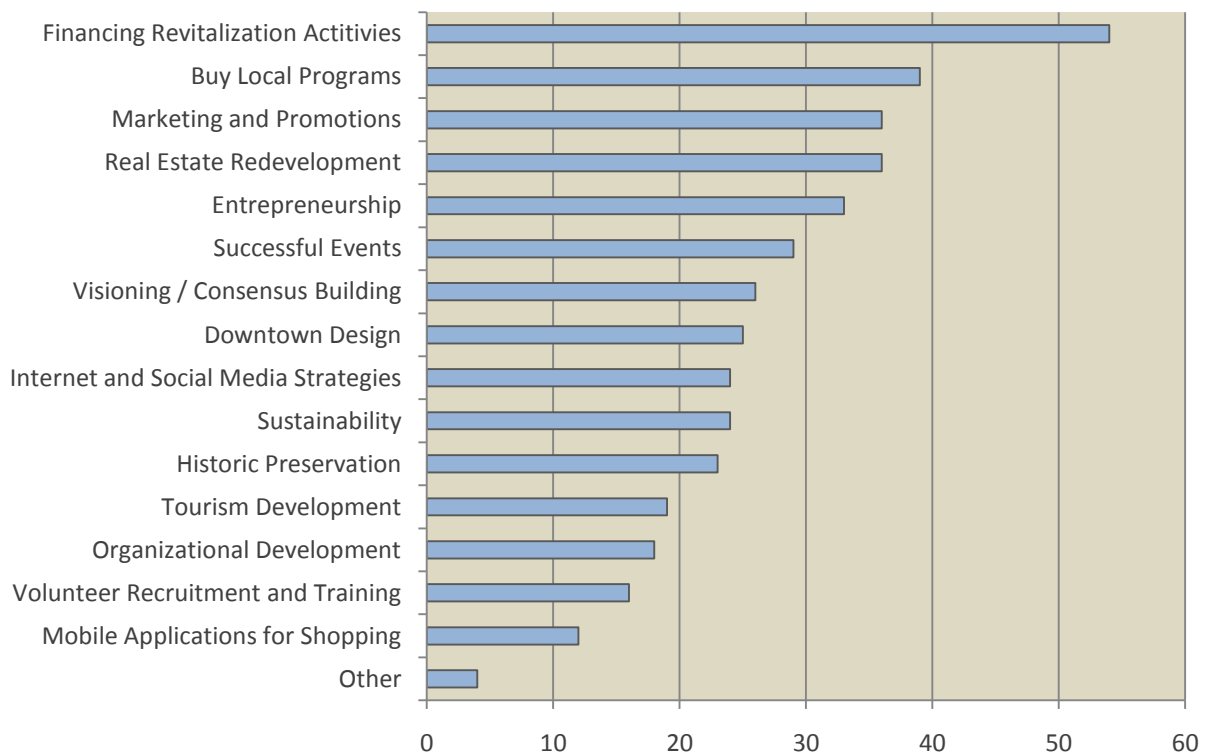
Although in Question 21, a number of respon-

dents noted the need for downtown businesses to adopt new technologies in order to compete, there is less interest in addressing the internet, social media, or mobile applications through the annual conference or other events. Organizational development and volunteer recruitment, sustainability, historic preservation, and training were also issues that did not receive as many responses.

## 20 What is your best source of information concerning downtown revitalization trends, tools, and practices?

This was an open-ended question. The largest number of people (15) indicated that they received information concerning downtown revitalization through colleagues. This was followed by the Wisconsin Main Street Program, with twelve

**Preferred Topics for Educational Programs**



responses, and the University of Wisconsin Extension, with six responses.

Several organizations were mentioned as information sources, although none received more than four observations. These organizations included the American Planning Association, the National Trust for Historic Preservation and/or its Main Street Program, the International Downtown Association, the International City Management Association, the Wisconsin League of Municipalities, the Wisconsin Economic Development Association, the International Economic Development Council, and the Wisconsin Downtown Action Council. It is interesting to note that the Wisconsin Downtown Action Council did not receive a greater number of mentions.

Other sources of information included conference and workshops, webinars, consultants, and the internet.

## Looking Forward

A final set of questions asked for thoughts on what issues would be important in the future, and what actions might be taken to create an environment more conducive to downtown and neighborhood business district revitalization. Reflecting the diversity of Wisconsin's communities, there were many responses to these questions. In each case, though, a few groupings appeared.

### 21 What do you consider to be the most important issue facing downtown and neighborhood business districts over the next 20 years?

Three issues stand out as responses to this open-ended question. Not surprisingly, funding was the most common response, encompassing private donations, local funding, and continued funding for state and federal programs used in downtown revitalization. Next, respondents

were concerned over the need to sustain the victories they have achieved, maintaining the vitality of their districts in the face of threats such as the loss of downtown businesses. Building on past achievements, by attracting new businesses to the district, was the third issue raised.

Competition was mentioned by several survey participants. This included competition from nearby malls, discount stores, new development drawing businesses and customers from the downtown, and competition through the internet. Other frequently-mentioned issues can be seen to relate to this topic, such as the need to identify a viable niche or business mix, or to get existing downtown retailers to embrace internet sales and new technologies.

A handful of comments related to the physical environment within downtown, including the need to carry out redevelopment projects, to improve existing buildings within the downtown, and to make improvements to public infrastructure or streetscapes.

The poor national economic picture only received a few nods, suggesting perhaps that the respondents realized that the challenges for downtown exist even in a good economic environment.

Several comments related to drawing more customers into the district, and marketing or branding the downtown was a related thread. Rounding out the list, attracting new residents to the downtown was raised as an issue, and an opportunity to create additional customer traffic for downtown businesses.

Several concerns were raised by one or two persons. These included small business regulation, the need to support "mom and pop" businesses, traffic, public transportation, parking, shifting to a pedestrian pattern, sustainability, maintaining property values, distant ownership of buildings or chain businesses, and a lack of political support for revitalization.

## 22 At the state level, what actions might be considered to improve conditions for "Main Street" businesses and to enhance opportunities for revitalization in our downtowns and neighborhood business districts?

The final open-ended question asked survey participants to recommend changes at the state level that would help to promote revitalization in our downtowns and neighborhood business districts.

Respondents placed a clear emphasis on the need to support entrepreneurship and foster growth of the smallest businesses, even to the extent of giving this priority over business attraction in economic development at the state level. Some of the ideas included grants and increased technical assistance for start-up businesses, rent subsidies, low interest loans to downtown businesses, and financial assistance to stabilize businesses impacted by the recession.

Roughly equal attention was given to issues related to development and redevelopment. Many people spoke to the need to target state economic development incentive programs - and overall economic development priorities - to designated areas such as downtowns, offering unique programs and funding to compete with greenfield development. Many indicated a greater need for funding in general, with specific ideas including tax credits for redevelopment, creating additional financial tools for local government, modifications to the way in which TID base is calculated, and preserving funding levels for existing programs such as brownfield incentives.

Wisconsin's Main Street Program is an asset to many communities statewide, and several comments spoke to the need to preserve the program. In addition, several responses suggested that the state find a way to ensure the long-term stability of the program to make it more attractive to communities. A large number of participants also expressed a desire to see the program

expanded to provide some level of assistance to all communities, and not just those accepted into the formal Main Street Program.

Several people identified a need for additional training. Specific recommendations included expanding the free or low-cost educational programming offered through the UW-Extension (such as the webinar series that is financially supported by the Wisconsin Downtown Action Council).

Other ideas generated by the survey included stronger rules or preferences to locate municipal, county, state, and federal government offices in downtown or neighborhood business districts, as opposed to suburban sites, reducing regulations on the smallest businesses transferring control or decision-making authority of urban highways from WisDOT to local governments, and providing assistance in marketing downtowns.

## Conclusions

Fund. Sustain. Build. These are the three overriding issues shown through the 2011 survey.

A majority of Wisconsin communities have been engaged in downtown revitalization for a long time. By and large, they have been pleased with the results they have obtained, which have come only with time. While the current economic environment has had a short term impact, local revitalization initiatives appear committed to continue. Most are challenged by funding their programs. Beyond this immediate need, they seek to sustain momentum and to attract new businesses and investment to their districts.

## Funding

Downtown and neighborhood business district revitalization programs typically rely upon multiple sources of revenue to fund their operations. City or Village contributions are the most important source, but private contributions and other sources are nearly as important. These funding

sources are threatened as local government revenues decline, the economy impacts downtown businesses, and vacancies place pressure on landlords.

Overall, Wisconsin's smallest communities are most likely to see their budgets decline. Cities and villages enrolled in the Main Street Program are faring better than some, perhaps due to the fundraising training and the coalition-building emphasis of the program.

Beyond operational funding, revitalization programs have a concern regarding funding for their programs and initiatives. Most of these organizations look to local sources first, including tax incremental financing and business improvement districts. Still, state programs such as Community Development Block Grants, brownfield grants, and historic preservation tax credits play an important role. It is imperative to maintain funding and support for these programs.

## Sustaining Momentum

The Great Recession resulted in setbacks in many of Wisconsin's traditional business districts. But communities recognize that true revitalization success is achieved through years of effort, and that it requires continued support to sustain their success.

Preserving local funding mechanisms and state program funding is certainly one factor in sustaining momentum for downtown revitalization. Beyond that, many communities feel there is a great need for additional technical assistance and educational programming.

The Wisconsin Main Street Program is the most-recognized source for this assistance. Throughout the reorganization of the Department of Commerce, it will be imperative to at least maintain current staffing and resources for Main Street. Ideally, additional resources will be provided to expand services beyond the core group of communities accepted into the Main Street Program.

At the local level, sustaining momentum also means fostering the success of downtown businesses. Several survey participants noted that the small businesses in their districts were slow to embrace new technology. Commerce and marketing are increasingly moving online and to mobile applications. There is a need to provide instruction and encouragement for local and independent businesses to adopt these technologies and remain competitive.

## Building for the Future

Downtown revitalization programs ultimately seek to attract new businesses and investment to their district.

Survey respondents indicated strong support for a shift in economic development emphasis from larger businesses to existing locally-owned businesses and entrepreneurship. In addition to training and technical support, they identified a need for specific financial assistance programs to defray some of the costs of business start-up.

In addition to prioritizing start-up and micro-businesses, there appears to be support for some targeting of state-level economic development resources to downtown and neighborhood business districts. This may come in the form of new incentive programs specific to downtown areas, or creating a geographic preference within existing incentive programs. This concept also addresses concerns that development on the periphery of communities creates competition that undermines state and local investment in downtown business districts.

# WISCONSIN DOWNTOWN ACTION COUNCIL

## MEMBERSHIP INFORMATION

The Wisconsin Downtown Action Council (WDAC) is a statewide organization established to facilitate the revitalization of Wisconsin downtowns as vibrant social and economic centers. We will pursue our mission through a mix of strategies including developing partnerships with other organizations, information sharing, and facilitating networking and peer learning.

It is our vision that all Wisconsin communities will recognize and support their downtowns as special places and work together for the betterment of all Wisconsin downtowns.

**We look forward to your help as we work together in fostering downtown revitalization throughout Wisconsin – *Join us today!***

### Five Membership Categories:

Business – \$200.00 / Government or Non-Profit (group) – \$250 / Government or Non-Profit (single) - \$100.00 / Individual – \$50.00 / Student – \$25

Name \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_

Organization \_\_\_\_\_

City, State, Zip \_\_\_\_\_

E-mail Address, Web Site \_\_\_\_\_

Please contact me about serving on a committee: (Circle an area of interest if appropriate)

- Education Strategic Alliance
- Membership Governor's Conference
- Communications Development
- Nominations

Please forward this form with a check to:

Wisconsin Downtown Action Council  
6666 Odana Road  
Madison, WI 53719—7447

**[www.wisconsinowntown.org](http://www.wisconsinowntown.org)**



